

Mr. KYL. Also, not taking away the time of the Senator from North Dakota, the Senator from Nevada is correct. I just inquire, then, for the benefit of all Senators, when the Senator from North Dakota has completed his 5 minutes of concluding remarks, could the Senator from Nevada explain what happens at that point?

Mr. REID. I have spoken to the majority leader. We have the Prime Minister of Australia coming for a joint session of Congress tomorrow morning. We are going to do a limited amount of morning business in the morning. Then the escort committee would go with the Senators over to the House side and listen to that speech. That is expected to be completed and we will be back in session approximately 12:30 tomorrow afternoon.

At that time, Senator DORGAN will lay down his second-degree amendment with a 2-hour time limit. We would vote at approximately 2:30 on the Dorgan amendment, then the Conrad amendment, and then we would turn to the Senator from Texas. He would lay down his amendment which would probably be around 3:15. At 5:15 or 5:30, thereabouts, debate on that would be completed, and I hope on or about that time we could vote on the amendment of the Senator from Texas and be finished with this matter.

Mr. GRAMM. If the Senator will yield, let me just reaffirm so everybody knows, I will offer exactly the language that passed the House, repealing the death tax permanently. So if we did it, it would go right to the President, he would sign it into law.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, let me conclude this debate as I began. I believe our votes must be informed by the current fiscal condition of the country. As the President said to us last year, his budget was going to pay off \$2 trillion of debt over the next decade. He said, at that time, that would be the largest debt reduction of any country ever.

Now the President comes to us 1 year later and says: Whoops, forget about that. Forget about maximum paydown of the debt. Forget about paying down more debt than any country ever. Instead of paying down debt, I am asking you, Members of Congress, for the second biggest increase in the debt in our Nation's history.

The only bigger request for an increase in the debt was made by the current President's father when he was President. He asked for and received a \$915 billion increase in the national debt in one fell swoop, in November of 1990.

Now comes this President and he asks for a \$750 billion increase in the debt, the second biggest in our Nation's history.

We all have to think a moment about the changed circumstances. Just hours ago, this Chamber voted to increase this Nation's debt by \$450 billion. Now

our colleagues on the other side are here saying they want to increase the debt another \$100 billion in this 10 years, by another \$740 billion in the second decade.

Let's look at where we are and where we are headed. This chart shows that from 1992 to 2000 we pulled out of deficit. We got ourselves into circumstances in which we were running surpluses. Last year with the President's budget plan we plunged back into deficit, and we now are told that we can expect deficits the entire rest of the decade. That is before their proposal to dig the hole even deeper. And the outlook for the years beyond is even more serious.

That brings us to the question of what do we do on the estate tax. I acknowledge we need to reform the estate tax—\$1 million is too low for a tax to be imposed. So I proposed that next year we go to \$3 million of exemption for an individual estate; \$6 million for a couple. They would pay zero under my proposal. A couple would pay no estate tax up to \$6 million. Our friends on the other side, they don't get to \$3 million until 2009.

My proposal also freezes the maximum estate tax rate at 50 percent. It retains stepped-up basis. I know that is a confusing term, but it is an important one. What it means is that in the future, you will pay taxes on what you inherit based on the value at the time you inherit it, not what grandpa paid for the property, not what grandma paid for the property, but what it was worth when it passed to you.

That is a very important difference between their proposal and mine. While my proposal is more generous to taxpayers in the short term, it is also more fiscally responsible because we don't eliminate the estate tax completely as their proposal does. They are proposing to eliminate the estate tax completely after the year 2010. My proposal saves hundreds of billions of dollars that otherwise are going to come straight out of Social Security. There is no other place for it to come from. They deny it. They say this has no effect on Social Security. Really? Where is the money coming from? There is only one place it can come from; that is, straight out of Social Security.

My proposal will reduce the number of estates that are taxable from the current level, which is 2 percent. Only 2 percent of all estates in America have any tax. I would reduce that to three-tenths of 1 percent, but at the same time save the fiscal position of the country.

There is no question that what they are talking about—estate tax repeal—raids Social Security trust funds. Look at what it does. Their idea of fairness is to eliminate the estate taxes for somebody like Mr. Skilling, former CEO of Enron, who would save under their plan an estimated at \$55 million. That is equivalent to all of the Social Security taxes paid in a year by 30,000 American people earning \$30,000.

They say their proposal is fair. They say their proposal is equitable. I don't see it. Taking all of the taxes from 30,000 people earning \$30,000 a year to eliminate the estate taxes of Mr. Skilling is not fair.

I thank the Chair. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DAYTON). The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I wanted to announce that there will be no further votes today. I appreciate the vigorous debate we have had on the Conrad amendment, and appreciate Senators coming to the floor to move the schedule along.

It is my hope that we will have a vote at approximately 2:30 tomorrow, and it may be stacked with another amendment.

I urge Senators to offer their amendments because we will miss a window here, and we will then make a point of order on the bill itself sometime tomorrow.

We are not going to wait for Senators. They are either going to offer their amendments or they are going to miss the opportunity.

So those Senators who have amendments need to come to the floor and lay them down and have the debate, as Senator CONRAD did this afternoon.

We will pick up this debate again tomorrow morning.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DAYTON). Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators allowed to speak therein for a period not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO FLOYD CALVERT, JR.

Mr. NICKLES. Mr. President, I recognize an American who honorably served our Nation for nearly 40 years. At the age of 25, Lieutenant Floyd Calvert Jr., an Oklahoman and Cherokee Indian, served as a bomber pilot in the U.S. Army Air Corps flying B-29 aircraft in the Pacific Theater during World War II.